



United States General Accounting Office
Washington, DC 20548

Accounting and Information
Management Division

B-285741

July 28, 2000

The Honorable Henry J. Hyde
Chairman, Committee on the Judiciary
House of Representatives

Subject: Federally Chartered Corporation: Review of the Financial Statement Audit Report for the American Chemical Society for 1997 and 1998

Dear Mr. Chairman:

As requested, we reviewed the audit report covering the financial statements of the American Chemical Society, a federally chartered corporation, for the years ended December 31, 1997 and 1998. The society was chartered to encourage the advancement of chemistry, thereby fostering public welfare and education and aiding the development of industry in the United States.

Federally chartered corporations are required under 36 U.S.C. 10101 to

- present the corporation's assets and liabilities and reasonable detail on the corporation's income and expenses in annual financial statements,
- obtain an annual financial audit by an independent public accountant, and
- submit the auditor's report and the corporation's financial statements to the Congress.

The objective of our review was to determine whether the audit report complied with the financial reporting requirements of the law. In carrying out our work, we reviewed the corporation's financial statements and the accompanying notes, performed certain analytical procedures related to information presented in the financial statements, reviewed the auditor's report, and made inquiries to corporation officials or the auditor as we deemed necessary. We did not review the auditor's working papers. Our review disclosed no reportable instances of noncompliance.

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The audit report included the auditor's opinion that the financial statements of the corporation were presented fairly in accordance with generally accepted accounting principles. We are returning the audit report you sent with your letter.

Sincerely yours,

A handwritten signature in black ink, appearing to read "David L. Clark". The signature is fluid and cursive, with a large, stylized "D" and "C".

David L. Clark
Director, Audit Oversight and Liaison

Enclosure

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